

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Watt/Peterson, Inc.,

Debtor.

Chapter 7

BKY No. 01-44137-NCD

John R. Stoebner, Trustee,

Plaintiff.

ADV No. _____

vs.

Quality Quick Bindery Services, Inc.,

Defendant.

**COMPLAINT TO AVOID
PREFERENTIAL TRANSFER**

For his Complaint against the above-named Defendant, Plaintiff John R. Stoebner, Trustee of the bankruptcy estate of Watt/Peterson, Inc., states and alleges as follows:

I. THE PARTIES.

1. John R. Stoebner is the duly qualified and acting Trustee in this bankruptcy proceeding.

2. Defendant Quality Quick Bindery Services, Inc., is, on information and belief, a corporation registered to do business in Minnesota at 855 Highway 169 North, Plymouth, MN 55441.

3. Debtor Watt/Peterson, Inc., is a corporation against whom an involuntary petition under Chapter 11 of Title 11 of the United States Code was filed on September 21, 2001. The case was converted to a Chapter 7 on March 4, 2002, and this case is now pending before this Court.

II. JURISDICTION.

4. This Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§ 157, 1334. As a matter concerning administration of the estate, recovery of property of the estate, and matters affecting the adjustment of the debtor-creditor relationship, this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

5. Venue is properly before the Court pursuant to 28 U.S.C. § 1409.

III. FACTS.

6. At all relevant times the Debtor was insolvent within the meaning of 11 U.S.C. § 101(32).

7. Within 90 days prior to the filing of the bankruptcy petition, Defendant received transfers of an interest in property of the Debtor or the benefit from such transfer in the total amount of at least \$16,978.90.

IV. LEGAL CLAIMS.

COUNT ONE

PREFERENTIAL TRANSFER UNDER 11 U.S.C. § 547(b)

8. The Trustee restates, realleges, and adopts by reference the allegations contained in Paragraphs 1 through 7, inclusive, herein.

9. Within 90 days prior to the filing of the petition in this case, transfer of an interest in the Debtor's property in the amount of at least \$16,978.90 was made to or for the benefit of Defendant.

10. The above-described transfer was made for or on account of an antecedent debt.

11. At the time of such transfer, the Debtor was insolvent.

12. Such transfer enabled Defendant to receive more than it would receive if the transfer had not been made and the Defendant received payment of such debt to the extent provided by Chapter 7 of the Bankruptcy Code.

13. The transfer constitutes a preferential transfer within the meaning of 11 U.S.C. § 547(b) which may be avoided by the Trustee and the Trustee is entitled to recover the funds transferred pursuant to 11 U.S.C. § 550.

WHEREFORE, Plaintiff John R. Stoebner, Trustee, respectfully demands the following relief:

A. Judgment against Defendant avoiding the aforesaid transfer as a preference and ordering Defendant to pay over to the Plaintiff at least \$16,978.90, plus pre-judgment interest from the date of commencement of this action;

B. Judgment against Defendant awarding Plaintiff his reasonable costs and disbursements; and

C. Such other and further relief as is just and equitable.

LAPP, LIBRA, THOMSON, STOEBNER &
PUSCH, CHARTERED

Dated: October 6, 2003

By /e/ John R. Stoebner
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Attorneys for Plaintiff

VERIFICATION

John R. Stoeber, Trustee, Plaintiff herein, declares under penalty of perjury that he has read the foregoing Complaint and that the facts set forth therein are true and correct according to the best of his knowledge, information, and belief.

/s/ John R. Stoeber
John R. Stoeber